

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549



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ANNUAL AUDITED REPORT  
FORM X-17A-5  
PART III

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8-68671

FACING PAGE

Information Required of Brokers and Dealers Pursuant to Section 17 of the  
Securities Exchange Act of 1934 and Rule 17a-5 Thereunder

REPORT FOR THE PERIOD BEGINNING January 1, 2014 AND ENDING December 31, 2014  
Date Date

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: Tigress Financial Partners, LLC

OFFICIAL USE ONLY

ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)

FIRM I.D. NO.

500 Fifth Avenue; Suite 1520

(No. and Street)

New York

NY

10110

(City)

(State)

(Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT

Cynthia DeBartolo, CEO

(212) 430-8750

(Area Code - Telephone No.)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report\*

Wei Wei & Co. LLP

(Name - if individual, state last, first, middle name)

133-10 39th Avenue

Flushing

NY

11354

(Address)

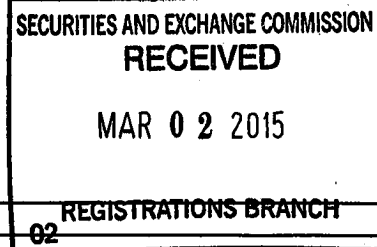
(City)

(State)

(Zip Code)

CHECK ONE

- ☒ Certified Public Accountant  
☐ Public Accountant  
☐ Accountant not resident in United States or any of its possessions



FOR OFFICIAL USE ONLY

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\* Claims for exemption from the requirement that the annual report be covered by the opinion of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis for the exemption. See Section 240.17a-5(e)(2)

SEC 1410 (06-02)

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## OATH OR AFFIRMATION

I, Charles J. Klein, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Tigress Financial Partners, LLC as of December 31, 2014, are true and correct. I further swear (or affirm) that neither the company nor any partner, proprietor, principal officer or director has any proprietary interest in any account classified solely as that of a customer, except as follows:

\_\_\_\_\_

\_\_\_\_\_

OFFICIAL SEAL  
PATRICIA VALDES  
NOTARY PUBLIC - NEW JERSEY  
My Comm. Expires Feb. 5, 2018

*Patricia Valdes*

Notary Public

*Charles J. Klein*

Signature

FINOP

Title

This report \*\* contains (check all applicable boxes):

- ☒ (a) Facing Page.
- ☒ (b) Statement of Financial Condition.
- ☐ (c) Statement of Income (Loss).
- ☐ (d) Statement of Changes in Financial Condition.
- ☐ (e) Statement of Changes in Stockholders' Equity or Partners' or Sole Proprietors' Capital.
- ☐ (f) Statement of Changes in Liabilities Subordinated to Claims of Creditors.
- ☐ (g) Computation of Net Capital.
- ☐ (h) Computation for Determination of Reserve Requirements Pursuant to Rule 15c3-3.
- ☐ (i) Information Relating to the Possession or Control Requirements Under Rule 15c3-3.
- ☐ (j) A Reconciliation, including appropriate explanation of the Computation of Net Capital Under Rule 15c3-1 and the Computation for Determination of the Reserve Requirements Under Exhibit A of Rule 15c3-3.
- ☐ (k) A Reconciliation between the audited and unaudited Statements of Financial Condition with respect to methods of consolidation.
- ☒ (l) An Oath or Affirmation.
- ☐ (m) A copy of the SIPC Supplemental Report.
- ☐ (n) A report describing any material inadequacies found to exist or found to have existed since the date of the previous audit.
- ☐ (o) Independent Auditors' Report on Internal Control.

\*\*For conditions of confidential treatment of certain portions of this filing, see section 240.17a-5(e)(3).

**TIGRESS FINANCIAL PARTNERS, LLC**  
**STATEMENT OF FINANCIAL CONDITION**  
**SEC FILE NO. 8-68671**  
**YEAR ENDED DECEMBER 31, 2014**  
**AND**  
**REPORT OF INDEPENDENT REGISTERED**  
**PUBLIC ACCOUNTING FIRM**

# **TIGRESS FINANCIAL PARTNERS, LLC**

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**TIGRESS FINANCIAL PARTNERS, LLC**  
**STATEMENT OF FINANCIAL CONDITION**  
**DECEMBER 31, 2014**

**ASSETS**

Cash	\$ 77,275
Security owned, at fair value	23,875
Deposit with clearing organization	250,000
Due from clearing broker	48,161
Property and equipment, net of accumulated depreciation of \$25,131 ( <i>Notes 2 and 4</i> )	22,469
Advance to employees and brokers	72,901
Other assets ( <i>Note 5</i> )	41,256
	<hr/> \$ 535,937 <hr/>

**LIABILITIES AND MEMBERS' EQUITY**

**Liabilities**

Accounts payable and accrued expenses	\$ 109,100
Commitments and contingencies ( <i>Notes 8 and 9</i> )	

<b>Members' equity</b>	426,837
	<hr/>
	\$ 535,937 <hr/>

See notes to statement of financial position.

# **TIGRESS FINANCIAL PARTNERS, LLC**

## **NOTES TO STATEMENT OF FINANCIAL CONTITION FOR THE YEAR ENDED DECEMBER 31, 2014**

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### **1. ORGANIZATION**

#### **Description of the Business**

Tigress Financial Partners, LLC (the "Company") is a limited liability company organized in 2010 in the State of Delaware. The Company is a registered broker-dealer under the Securities Exchange Act of 1934 and is a member of the Financial Industry Regulatory Authority ("FINRA") since October 2011. The Company introduces all transactions with and for customers on a fully disclosed basis with its clearing broker.

### **2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

#### **Property, equipment and depreciation and amortization**

Property and equipment are stated at cost. The cost of property and equipment is depreciated over the estimated useful lives of the related assets, which is five years. Leasehold improvements are amortized over the lesser of the remaining term of the related lease or the estimated useful lives of the assets. Depreciation and amortization are computed on the straight-line method for both financial reporting and income tax purposes.

#### **Income taxes**

The Company has elected to be treated as a partnership for federal and state income tax purposes. A partnership is not a tax paying entity for federal and state income tax purposes. Income, loss, deductions and credits pass through proportionately to its members and are taxed at the individual members' income tax rates. Accordingly, no provision for income taxes is provided in the financial statements.

The Company follows the provisions of Financial Accounting Standards Board Accounting Standards Codification (the "FASB ASC") 740-10-25, *"Accounting for Uncertainty in Income Taxes."* Assets and liabilities are established for uncertain tax positions taken or expected to be taken in income tax returns when such positions are judged to not meet the "more-likely-than-not" threshold based on the technical merits of the positions. Estimated interest and penalties related to uncertain tax positions are generally included as a component of income tax expense. The Company does not have any uncertain tax positions.

Currently, the 2011, 2012 and 2013 tax years are open and subject to examination by the taxing authorities.

#### **Cash and cash equivalents**

The Company considers all demand and time deposits and all highly liquid investments with an original maturity of three months or less to be cash equivalents.

# **TIGRESS FINANCIAL PARTNERS, LLC**

## **NOTES TO STATEMENT OF FINANCIAL CONTITION FOR THE YEAR ENDED DECEMBER 31, 2014**

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### **2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

#### **Use of estimates**

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements, and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

#### **Fair value of financial instruments**

FASB ASC 820, *Fair Value Measurements and Disclosures*, defines fair value as the price that would be received upon sale of an asset or paid upon transfer of a liability in an orderly transaction between market participants at the measurement date and in the principal or most advantageous market for that asset or liability. The fair value should be calculated based on assumptions that market participants would use in pricing the asset or liability, not on assumptions specific to the entity.

FASB ASC 820 specifies a hierarchy of valuation techniques based upon whether the inputs to those valuation techniques reflect assumptions other market participants would use based upon market data obtained from independent sources (observable inputs). In accordance with FASB ASC 820, the following summarizes the fair value hierarchy:

Level 1 Inputs - Unadjusted quoted market prices for identical assets and liabilities in an active market that the Company has the ability to access.

Level 2 Inputs - Inputs other than the quoted prices in active markets that are observable either directly or indirectly. These include quoted prices for similar assets or liabilities in active markets and quoted prices for identical or similar assets or liabilities in markets that are not active.

Level 3 Inputs - Inputs based on prices or valuation techniques that are both unobservable and significant to the overall fair value measurement

As of December 31, 2014, there was one asset that is required to be reported at fair value. The carrying values of non-derivative financial instruments, including cash, due from clearing broker, and accounts payable and accrued expenses, approximate fair values due to the short term nature of these financial instruments. There were no changes in methods or assumptions used during the year ended December 31, 2014.

# TIGRESS FINANCIAL PARTNERS, LLC

## NOTES TO STATEMENT OF FINANCIAL CONTITION FOR THE YEAR ENDED DECEMBER 31, 2014

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### 3. SECURITY OWNED

The marketable security owned consisted of a corporate bond recorded at its cost which approximated its fair value of \$23,875. It was valued using level 2 inputs. Following is a description of the valuation methodology used for assets measured at fair value.

*Corporate bonds:* Valued at the closing price reported in the active market in which the bond is traded, if available. Certain bonds are valued at the last reported bid and asked prices and other bonds are valued based on yields currently available on comparable securities of issues with similar ratings.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Company believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

### 4. PROPERTY AND EQUIPMENT

Property and equipment consists of the following:

Office equipment	\$ 47,600
Less – accumulated depreciation	25,131
	<u>\$ 22,469</u>

Depreciation and amortization expense, relating to property and equipment, charged to operations for the year ended December 31, 2014 was \$8,548.

### 5. OTHER ASSETS

Other assets consist of the following:

Security deposit	\$ 30,000
Prepaid regulatory fees	11,256
	<u>\$ 41,256</u>

### 6. MEMBERS' CONTRIBUTION

Included in members' contribution of \$966,718 is \$73,218 of Company expenses paid directly by the majority owner. Included in this amount was \$50,053 for occupancy costs. From January 2014 to March 2014, a \$100,000 cash contribution was made by a third party, which made the party a 1% owner of the Company in 2014. The remaining cash contribution was made by the majority owner, who now holds a 99% interest of the Company.



# **TIGRESS FINANCIAL PARTNERS, LLC**

## **NOTES TO STATEMENT OF FINANCIAL CONTITION FOR THE YEAR ENDED DECEMBER 31, 2014**

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### **7. NET CAPITAL REQUIREMENTS**

As a registered broker-dealer, the Company is subject to the Uniform Net Capital Rule (Rule 15c3-1) under the Securities Exchange Act of 1934. The Company computes its net capital using the aggregate indebtedness standard method, which requires the maintenance of minimum net capital of \$50,000 and requires the ratio of aggregate indebtedness to net capital, both as defined, shall not exceed 15 to 1. At December 31, 2014, the Company had a net capital of \$286,779, which was \$236,779 in excess of its required capital. The ratio of aggregate indebtedness to net capital was .38 to 1.

The Company operates its securities transactions under the provisions of paragraph (k)(2)(ii) of Rule 15c3-3 of the Securities and Exchange Commission as a fully disclosed broker-dealer and accordingly, customer accounts are carried on the books of the clearing broker.

### **8. CONTINGENCY**

The Company introduces all customer transactions in securities traded on U.S. securities markets to another New York Stock Exchange member firm on a fully-disclosed basis. The agreement between the Company and its clearing broker provides that the Company is obligated to assume any exposure related to non-performance by customers or counter parties.

The Company's exposure to credit risk associated with the non-performance of customers and counter parties in fulfilling their contractual obligations pursuant to these securities transactions can be directly impacted by volatile trading markets which may impair the customer's or counter party's ability to satisfy their obligations to the Company. In the event of non-performance, the Company may be required to purchase or sell financial instruments at unfavorable market prices resulting in a loss to the Company. The Company does not anticipate non-performance by customers and counter parties in the above situations.

The Company seeks to control the aforementioned risks by requiring customers or counter parties to maintain margin collateral in compliance with various regulatory requirements, the clearing broker's guidelines and industry standards. The Company monitors required margin levels daily and, pursuant to such guidelines, requires the customer to deposit additional collateral, or to reduce positions, when necessary.

### **9. SUBSEQUENT EVENTS**

In January 2015, the Company modified its Membership Agreement with FINRA, enabling it to engage in several more types of business and increasing its minimum net capital requirement to \$100,000.

Subsequent to December 31, 2014, the Company raised \$800,000 in additional capital, of which \$525,000 had been received by February 24, 2015. It also secured an offer for a subordinated loan of no less than \$5,000,000 for five years with an interest rate of 2.0%. The loan is expected to close by April 1, 2015.